

**GOVERNMENT OF INDIA
RURAL DEVELOPMENT
LOK SABHA**

UNSTARRED QUESTION NO:2498

ANSWERED ON:07.08.2001

WORKSHOP OF MEMBERS OF PARLIAMENT ON RURAL DEVELOPMENT

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Will the Minister of RURAL DEVELOPMENT be pleased to state:

- (a) whether any workshop of Members of Parliament on Rural Development and Poverty Alleviation programmes was organised;
- (b) if so, the details thereof;
- (c) the details of recommendations made at the said workshop; and
- (d) the details of the recommendations accepted and proposed to be implemented by the Government?

Answer

MINISTER OF STATE FOR RURAL DEVELOPMENT (SMT. RITA VERMA)

(a): Yes, sir.

(b): The workshop was held at the National Institute of Rural Development (NIRD), Hyderabad from 2nd to 4th June, 2001 on 'Rural Industrialisation, Employment Generation and Poverty Alleviation - Policies and Issues'. It was attended by 32 Members of parliament from various political parties.

(c): The details of the recommendations are annexed.

(d): The recommendations are being examined for necessary action.

Annexure as referred to in part (c) of the reply of the Lok Sabha Unstarred Question No. 2498 due for reply on 7.8.2001

Recommendations of the workshop for Members of Parliament on 'Rural Industrialisation, Employment Generation and Poverty Alleviation - Policies and Issues' held on 2-4 June, 2001 at the National Institute of Rural Development, Hyderabad.

Role of NABARD:

NABARD has to extend its operations to the district, block and village level and NABARD has to work to bring awareness amongst rural people about the schemes of NABARD. The recent imposition of income tax on NABARD has reduced its ability to deploy internal accruals to expand its lending to agriculture. Hence, it is felt NABARD has to be exempted from this tax burden. It was also felt that NABARD should give more publicity about its own programmes in local languages. It was also felt that NABARD may think of direct financing of the infrastructural projects in villages by involving democratically set up rural institutions.

The conference felt that NABARD should go to the villages to make every Indian village know that there is an agency for financing agriculture activity and rural development. Some Members have felt that the gap in the interest rates between NABARD refinancing and financing by commercial and cooperative banks is to be reduced. Some even mentioned that NABARD can directly lend to the farmers at the same rate that they charge for refinancing the commercial banks. It can even in collaboration with the KVIC think of financing the small rural enterprises. Some have felt that if it is difficult for NABARD to reach the village, it can at least reach the block level.

Strengthening of PRIs:

It was suggested that functional and financial powers are to be delegated to PRIs at a greater speed. For greater interaction between NABARD and PRIs a representative of NABARD may be placed at the disposal of the Zilla Parishad. Assured annual plan allocation for villages may be adopted in the pattern of the Kerala model. Instead of bureaucracy manning the Panchayati Raj Institutions, a uniform system of standing committees may be inducted into the Panchayati Raj System to manage the affairs. Suitable mechanism have to be evolved for regular interaction between PRIs, NABARD and other community based organisations.

Adequate resources should be made available to PRIs for capacity building and to implement various projects sponsored both by central and state governments. The people have to be given opportunities to evaluate the progress of works taken up and to know the components of various schemes. Conflict between different players of PRIs surfaces at the time of power sharing, which can be minimised by certain devolution of powers and functions meaningfully.

Some of the Members felt that the number of tiers in the PRIs should be left to the state legislature and the act should be amended to

this effect.

Monitoring:

Appropriate interventions are necessary in designing and monitoring of poverty alleviation programmes. It is felt that there is a great need to design and promote community based monitoring systems at local levels.

Micro Finance:

In this endeavour micro enterprise promotion has to be given top priority by organizing adequate and timely finance and with support for appropriate markets by the local agencies. In this context, the role of SHGs is stressed and good SHGs are to be encouraged further to utilise the schemes available under other departments, apart from rural development department. Other schemes available for women are to be brought into the fold of SHGs like immunization, child nutrition, primary education etc.

Cooperative Credit:

A majority of the DCBs are not functioning well and have become sick. Their loaning to the farmers is a paltry amount of Rs.500 per acre and the farmers can not be expected to improve their productivity levels. It was suggested that NABARD may help strengthening of such banks, as NABARD is basically meant for agriculture and rural development.

Infrastructure:

Certain basic infrastructural inputs like electricity, roads, communications and marketing are very crucial for rural development. Therefore, serious attention and adequate resources should be diverted for creating basic infrastructure in the rural areas. Sanitation, road connectivity, health care, clean drinking water and education be given adequate attention and budgetary support.

Women empowerment and development:

Rural women/SHGs would be greatly benefited if technology incubators are started in some major villages. This can be done through the help of an NGO, who would be able to provide necessary service back up for women groups. Such a technology incubator has been functioning very well in the campus of AWAKE (Association of Women Entrepreneurs of Karnataka) and is being utilized by rural women where all the facilities for standardisation, quality control, packaging etc., are available.

It has also came up for discussion that women friendly budgets have to be prepared at all levels of planning so that certain plan provisions would be available exclusively for women development.

Science and Technology (S&T) Inputs:

There is a greater need to increase the ability of rural people to adopt modern innovations, practices and technology based inputs. It was suggested that NABARD may also finance the water recharging projects in the rural areas. For employment generation in the rural areas, a technology push is considered a must. To create a healthy relationship between civil society organisations like NGOs and the local governments suitable structures have to be created to ensure smooth flow of technology and enhancing the capabilities of the people in rural areas. Further, for the utilisation of natural resource base, a technology management package has to be developed so that farmers, artisans etc. can utilise the same for their benefit. This would naturally help decentralisation of technological components in accordance with the priorities and needs of the local areas. It is felt that a mission mode should be adopted for effective transfer of technologies to the rural areas. Stress is to be laid on cost effective, acceptable and eco- friendly technologies to minimise the mis-match between technologies developed and expectations of the people.

Role of KVIC:

The khadi and other village industries have been a matter of concern in withstanding competition at a competitive price and to explore new markets. It was mentioned that once a poor mans cloth, khadi has now become a costly product. There is a need to improve upon the designs and go for new marketing strategies. The institutions like the National Institute of Fashion Technology have a bigger role to play in making more market friendly designs. It was mentioned that KVIC has started new efforts in these direction. The subsidy syndrome has to gradually move to self-sufficient profit making institution.

Agricultural Productivity :

For any diversification of the rural economy, the need for improving the productivity on the farm front is stressed. Some have felt that without modernising the agriculture it is not possible to take a big leap into the 21st century. A specific agricultural product which is dominating a particular region in every state can be picked up and efforts made to enhance its productivity in comparison with the existing international levels. Another possibility could be to take up a village as a unit of production and mobilise all resources for its development. Like export zones product specific agriculture zones can be aimed at. This fits into the concept of a model village where vital components like school, library, computer center, handicraft center etc., are defined and several such villages will be inter-linked meaningfully. However, the key to success in improving agricultural productivity, strengthening the manufacturing sector by introducing new technologies, improving infra! strucural facilities etc., lie in our ability to decentralise the institutional edify of the country, to serve the rural areas.